



6-1-2002

Federal versus State Jurisdiction and Limitations versus Laches in Songwriter Disputes: The Split among the Federal Circuits in *Let the Good Times Roll*, *Why Do Fools Fall in Love*, and *Joy to the World*

Don E. Tomlinson

Follow this and additional works at: <https://digitalcommons.lmu.edu/elr>



Part of the [Law Commons](#)

Recommended Citation

Don E. Tomlinson, *Federal versus State Jurisdiction and Limitations versus Laches in Songwriter Disputes: The Split among the Federal Circuits in Let the Good Times Roll, Why Do Fools Fall in Love, and Joy to the World*, 23 Loy. L.A. Ent. L. Rev. 55 (2002).

Available at: <https://digitalcommons.lmu.edu/elr/vol23/iss1/2>

This Article is brought to you for free and open access by the Law Reviews at Digital Commons @ Loyola Marymount University and Loyola Law School. It has been accepted for inclusion in Loyola of Los Angeles Entertainment Law Review by an authorized administrator of Digital Commons@Loyola Marymount University and Loyola Law School. For more information, please contact digitalcommons@lmu.edu.

**FEDERAL VERSUS STATE JURISDICTION AND
LIMITATIONS VERSUS LACHES IN
SONGWRITER DISPUTES: THE SPLIT AMONG
THE FEDERAL CIRCUITS IN *LET THE GOOD
TIMES ROLL, WHY DO FOOLS FALL IN LOVE?,
AND JOY TO THE WORLD***

*Don E. Tomlinson**

I. INTRODUCTION

For songwriter Shirley Goodman, the “good times rolled” (at least judicially).¹ For songwriters Herman Santiago and Jimmy Merchant, “fools” may be a more apt description.² Likewise, Danny Jackson’s songwriting “world” contains little “joy.”³ For all these songwriters, the pyrrhic good news was that they were (at least in effect) judicially determined to have been co-writers of three famous rock ‘n’ roll songs.⁴ The bad news, however, was that two of the songwriters received nothing, and the third’s recovery was substantially less than it possibly could have been.⁵ Notwithstanding any statutory limitations or equitable laches defenses, the Fifth Circuit declared Shirley Goodman as co-writer of *Let*

* Professor of Journalism and Mass Communication, Texas A&M University; Adjunct Professor of Law, University of Houston Law Center; LL.M., University of Houston Law Center; J.D., University of Arkansas at Little Rock; M.J., University of North Texas; B.S., Arkansas State University.

1. *See Goodman v. Lee*, 78 F.3d 1007, 1009 (5th Cir. 1996), *cert. denied*, 519 U.S. 861 (1996).

2. *See Merchant v. Levy*, 92 F.3d 51, 52, 56–57 (2d Cir. 1996), *cert. denied*, 519 U.S. 1108 (1996).

3. *See Jackson v. Axton*, 25 F.3d 884, 886, 889 (9th Cir. 1994).

4. *See Goodman v. Lee*, 78 F.3d 1007, 1014–15; *Merchant*, 92 F.3d at 56; *Jackson v. Axton*, 25 F.3d 884, 890 (9th Cir. 1994).

5. *Goodman v. Lee*, 78 F.3d 1007, 1015 (5th Cir. 1996) (awarding Goodman one-half of the royalties, plus interest, that had been paid to the Lees since 1976); *Merchant*, 92 F.3d at 57 (holding plaintiff’s claim was time barred as the three-year statute of limitations had run); *Jackson v. Axton*, 25 F.3d 884, 889 (9th Cir. 1994) (holding plaintiff’s claim, brought twenty-two years after the song’s release, was barred under the doctrine of laches).

the Good Times Roll, and awarded her more than \$600,000 in writing and publishing royalties.⁶ On the other hand, after being declared co-writers of *Why Do Fools Fall In Love?* by the Second Circuit,⁷ Herman Santiago and Jimmy Merchant were disallowed any recovery on the theory that the limitations provision of the Copyright Act⁸ barred their damages claim.⁹ Similarly, the Ninth Circuit prevented Danny Jackson, Jr., co-writer of *Joy to the World*,¹⁰ from recovering damages on the theory that the equitable doctrine of laches was applicable as a complete defense.¹¹

The question then becomes, Why did three federal circuit courts reach distinctly different results in such similar cases? The Supreme Court of the United States denied certiorari in two of cases,¹² while it was not sought in the other case. While it may be said that the Fifth Circuit hears comparatively few music copyright cases,¹³ the same cannot be said for the Second¹⁴ and Ninth Circuits.¹⁵ Whatever the basis for the split, it should be reconciled.¹⁶ Music copyright cases involving famous songs do not occupy a considerable portion of any federal court's docket, but the precedents set in these cases have a much wider application to all areas of copyright law.¹⁷ Generally, copyright disputes are not rare in the federal court system,¹⁸ and surely they will grow in number and complexity in the Information Age.¹⁹

6. See *Goodman v. Lee*, 78 F.3d 1007, 1015 (5th Cir. 1996).

7. *Merchant*, 92 F.3d at 52.

8. 17 U.S.C. § 507(b) (2000).

9. *Merchant*, 92 F.3d at 56–57.

10. *Jackson v. Axton*, 25 F.3d 884, 885–86 (9th Cir. 1994).

11. *Id.* at 887.

12. *Goodman v. Lee*, 78 F.3d 1007 (5th Cir. 1996), *cert. denied*, 519 U.S. 861 (1996); *Merchant v. Levy*, 92 F.3d 51 (2d Cir. 1996), *cert. denied*, 519 U.S. 1108 (1996).

13. Although New Orleans, Louisiana, a hotbed of music, is included within the jurisdiction of the Fifth Circuit, it has not been home to a significant number of music disputes in federal court. See, e.g., *Goodman v. Lee*, 78 F.3d 1007 (5th Cir. 1996).

14. The Second Circuit, especially regarding cases filed in the Southern District of New York (Manhattan), has been home to many of the more significant music copyright decisions in the nation's history. See, e.g., *Merchant v. Levy*, 92 F.3d 51 (2d Cir. 1996).

15. At the close of the twentieth century and the beginning of the twenty-first century, the Ninth Circuit (especially in Southern and Northern California), decided many highly significant copyright cases, e.g., the *Napster* decisions. See *A & M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001).

16. See discussion of reconciliation *infra* Part V.

17. In addition to music, copyrightable matter includes computer software, all forms of literature, television, motion pictures, and photography. See 17 U.S.C. § 106 (2000).

18. See, e.g., *Feltner v. Columbia Pictures Television, Inc.*, 523 U.S. 340 (1998); *Quality King Distrib., Inc., v. L'Anza Research Int'l, Inc.*, 523 U.S. 135 (1998); *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994); *Fogerty v. Fantasy, Inc.*, 510 U.S. 517 (1994); *Feist Publ'ns v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991).

19. See Don E. Tomlinson, *Journalism and Entertainment as Intellectual Property on the*

Further, with the long history of fraud, non-payment, or underpayment of royalties allegedly perpetrated against songwriters and recording artists during the formative and early commercial years (and continuing to the present time) of blues,²⁰ rhythm and blues,²¹ and rock 'n' roll,²² justice

Information Superhighway: The Challenge of the Digital Domain, 6 STAN. L. & POL'Y REV. 61 (1994).

20. Willie Dixon was a major blues songwriter and performer, having written such blues classics as *Back Door Man* (covered by the Doors), *Seventh Son* (covered by Johnny Rivers), and *Little Red Rooster* (covered by the Rolling Stones). James Bates, *Businessman or Just Blues Man? Dixon's Songs in Royalty Dispute*, L.A. TIMES, Nov. 11, 1994, at D1. He (and his estate after his death) spent considerable time litigating to recover rights wrongfully held by others. *Id.*

Music royalty court fights have become increasingly common as artists and their attorneys challenge details of contracts, some signed decades ago. . . . Such disputes have been especially bitter for blues artists, many of whom maintain they were shamelessly exploited by record executives when they were young. Indeed, Dixon in 1979 founded the Blues Heaven Foundation, which helps blues artists recover their royalties and rights.

Id.

In 1983, Washington, D.C. entertainment lawyer Howard Begle looked into the case of Ruth Brown, a blues and R&B recording artist on Atlantic Records from the mid-fifties to the early sixties. Bill Barol, *One for the Soul Survivors: Righting Old Wrongs in the Music Business*, NEWSWEEK, Nov. 7, 1988, at 123. With recordings such as *Teardrops From My Eyes*, Brown helped Atlantic achieve major-label status, but she was dropped from the label as it moved to cash in on the rock 'n' roll craze. *Id.*

The label also stopped her royalty payments at that time. *Id.* Begle eventually looked into the royalties questions of some thirty Atlantic acts, and "[w]hat he found was a mess. Royalty accounts were maintained poorly, if at all." *Id.* Brown, flush with the success of her first royalty check from Atlantic in twenty years, Begle, and a board of directors that included singer Bonnie Raitt and music journalist Dave Marsh founded the Rhythm & Blues Foundation "as a way of pressing the music industry to address some old inequities." *Id.* In 1988, Atlantic donated almost \$2 million to the foundation. *Id.*

21. By 1998, a titanic music royalties dispute had been traversing the federal court system for eleven years, "with no end in sight." Richard Willing, *Sour Notes Emerge from Motown's Music*, USA TODAY, June 11, 1998, at 12A. The lawsuit pits Motown's Berry Gordy, Jr., against perhaps the most famous songwriting team in the history of soul and R&B: Eddie Holland, Lamont Dozier, and Brian Holland, known in the songwriting world as H/D/H. *Id.* Their songwriting hits include *Baby Love*, *Heat Wave*, and *Where Did Our Love Go?* *Id.* Among other allegations, the lawsuit questions whether proper royalties were paid to H/D/H by Motown and Motown's publishing arm, Jobete Music. *Id.* In the sixties, H/D/H conveyed their copyrights to Jobete and Motown in return for royalties. *Id.*

Such arrangements carry a built-in formula for disagreement. A [successful] song generates income in many ways: through recordings, live performances, movies, videos, [sic] commercials. Companies that use a song send a fee to the song's publisher. The publisher sends the songwriters their share. "The songwriter is at the end of the process," Washington, D.C., entertainment lawyer Howard Begle says. "There are any number of ways for (the songwriter) to get taken."

Id.

22. See *Berns v. EMI Music Publ'g, Inc.*, 95 Civ. 8130 (CCH) 32,022 (S.D.N.Y. 1999), available at 95 Civ. 8130, 1999 U.S. Dist. LEXIS, at *2 (S.D.N.Y. Nov. 12, 1999) (decision concerning the famous rock 'n' roll songs *Twist and Shout*, *Hang on Sloopy*, and *A Little Bit of*

demands a special look when such cases arise, notwithstanding that long periods of time may have passed from the alleged initial transgression to the filing of an action.²³

For example, Chuck Berry, generally considered as the “father of rock ‘n’ roll,”²⁴ was sued in November 2000 by pianist and long-time Berry sideman Johnnie Johnson, who alleged that he co-wrote more than fifty songs with Berry in the 1950s and 1960s, including *Roll Over Beethoven* and *Sweet Little Sixteen*, but never received proper credit or royalties. According to Johnson, Berry “misled him into believing that only Berry

Soap, among others); see also *Madara v. Singular Music Publ'g, Inc.*, No. 84-0006, 1987 U.S. Dist. LEXIS 3348, at *2 (E.D. Pa. Apr. 28, 1987) (decision concerning the famous rock ‘n’ roll songs *At the Hop* and *Rock and Roll Is Here to Stay*).

In 1995, Beach Boys co-founder and lead singer Mike Love reached an out-of-court settlement concerning thirty-five Beach Boys songs he was judicially declared to have co-written, but for which he was never credited. *Mike Love Settles Lawsuit Against Brian Wilson for \$5 Million and Future Royalties on 35 Beach Boys Songs*, ENT. L. REP., Jan. 1995, at 8, 26 [hereinafter *Mike Love Settles Lawsuit*]. There were allegations that in 1969, Murry Wilson, the father of Brian Wilson (another co-founder of the group) transferred to Irving Music rights he did not own (Love’s, among others). *Beach Boy Mike Love Sues Irving Music in California*, ENT. LITIG. REP., Sept. 7, 1992, LEXIS, News Library, Entlit File. Love was to have received thirty percent of the \$10 million settlement Brian Wilson (the group’s principal songwriter) received in his 1989 lawsuit against Irving Music. *Mike Love Settles Lawsuit, supra*. When he was not paid, Love sued Brian Wilson in 1992. After a jury declared Love co-author and co-owner of thirty-five Beach Boys songs, Love and Brian Wilson settled the dispute for \$5 million in cash and future royalties moving from Brian Wilson to Love. *Id.*

23. In 1995, Richard T. Morris filed suit in federal district court in California against Motown, Berry Gordy, Jr., and others, claiming that from 1964 to 1971 he wrote and produced some fifty songs for Motown but that he never received any credit or compensation as songwriter, only as producer. *Richard Morris Files Suit in CD CA Against Motown, Gordy & Others*, ENT. LITIG. REP., May 15, 1995, LEXIS, News Library, Entlit File.

Morris said he was delayed in filing [the] suit by the defendants’ coercion and false promises. He claimed the defendants seemed to acknowledge that he may be entitled to royalties, and continually promised that they would investigate, and that their agents and accountants would calculate, review and properly compensate Morris at a future time for all royalties due and owing. He said defendants used pressure and coercion to dissuade him from filing suit, claiming he would be stripped of all credit and recognition, and would be blackballed from the music business.

Id.

24. See David Segal, *Chuck Berry, Not About To Roll Over*, WASH. POST, Dec. 4, 2000. It is not only the “Father of Rock ‘n’ Roll” who has been sued over the authorship and ownership of hit songs, the “Godfather of Soul,” James Brown, has also been sued—by his two daughters. *Singer James Brown Sued by Daughters*, ASSOCIATED PRESS (Sept. 18, 2002), at <http://www.jsonline.com/enter/music/ap/Sep02/ap-people-james-br091802.asp>. The suit, filed in federal court in Atlanta, alleges that his daughters helped write the 1976 hit *Get Up Offa That Thing*, as well as two dozen other James Brown recordings. *Id.* In a pre-suit letter to his daughters’ attorney, Brown’s attorney agreed that about \$66,000 was owed to his daughters, but that Brown would be willing to pay them \$198,000 if they would convey their copyright interests in the songs to him. *Id.* The suit seeks more than \$1 million. *Id.*

was entitled to the copyrights.”²⁵ In the suit, Johnson claimed that Berry owed him one-half of the “tens of millions of dollars in royalties, license fees and other payments” paid to Berry for the disputed songs.²⁶ Johnson, who was inducted into the Rock and Roll Hall of Fame’s new “sideman” category in 2001,²⁷ alleged in the suit that “Berry wrote poems that he and Johnson put to music” and that “Berry copyrighted the songs for himself and later renewed the copyrights in his name or through Isalee [a music publishing company belonging to Berry].”²⁸

In two counts of the seven-count complaint, Johnson sued for copyright infringement.²⁹ Other counts sought a declaratory judgment of co-ownership concerning the songs, an accounting of profits collected by Berry in relation to the songs, a finding of a breach of fiduciary duty under Missouri law and federal copyright law, and a finding of fraud based on various alleged material misrepresentations.³⁰ In June 2001, after a hearing on Berry’s motion to dismiss each count as a matter of law, the court dismissed the copyright infringement claims but allowed the suit to continue on all the other claims.³¹ Since Johnson was claiming to be the co-author and, therefore, co-owner of the songs, the counts for infringement could not lie because one co-owner cannot be liable to another co-owner in the context of infringement.³² An infringement claim, the court said, must be brought against a person or entity violating “the exclusive rights of the copyright owner.”³³ Thus, since an owner does not have rights exclusive of a co-owner’s rights, an infringement claim by one co-owner against another is invalid as a cause of action.³⁴

Berry argued that the remaining claims were time-barred, citing 17 U.S.C. § 507(b), the Copyright Act’s three-year limitations period, and Missouri’s five-year statute of limitations applicable to the state law claim.³⁵ Johnson argued that neither statute was applicable to the non-

25. Tony Gieske, *Legal Briefs*, THE HOLLYWOOD REP., Dec. 8, 2000, at 78.

26. *Id.*

27. See *Judge OKs Suit Against Chuck Berry*, ASSOCIATED PRESS (June 14, 2001), at <http://www.blues.com.nz/news/article?php.id=479>.

28. Tim Bryant, *Judge Dismisses Claim of Copyright Infringement in Lawsuit Against Chuck Berry by His Longtime Pianist*, ST. LOUIS POST-DISPATCH, June 16, 2001, at 29.

29. *Johnson v. Berry*, 171 F. Supp. 2d 985, 987–90 (E.D. Mo. 2001).

30. *Id.* at 988, 990–91.

31. *Id.* at 992.

32. *Id.* at 987 (citing *Oddo v. Ries*, 743 F.2d 630, 632–33 (9th Cir. 1984)).

33. *Id.* at 987 (citing 17 U.S.C. §§ 501(a)–(b)).

34. *Id.*

35. *Johnson*, 171 F. Supp. 2d at 988, 990.

infringement counts for two reasons.³⁶ The first reason asserted by Johnson was that “Berry repeatedly led Mr. Johnson to believe that he was not entitled to compensation for the Berry/Johnson Songs [sic] over and above the fee he received as a musician during the various recording sessions.”³⁷ The second reason concerned Johnson’s allegation that Johnson was, during any relevant time, incapacitated due to alcoholism.

Mr. Johnson experienced the onset of alcoholism in the late 1940’s. For decades thereafter Mr. Johnson suffered the physical, emotional and mental symptoms and consequences of this disease which rendered him unable to comprehend the magnitude of his musical contributions or the ownership rights to the music that he created with Mr. Berry.³⁸

After discussing several cases with conflicting results and “not-uncomplicated principles,”³⁹ the court debated whether the facts alleged by Johnson, assuming their truth, could defeat or limit the limitations defense. The court ruled that an “appropriate application”⁴⁰ of the facts could not “be determined at this time, on the basis of the pleadings alone.”⁴¹

Viewing the facts alleged in the light most favorable to the plaintiff, the Court cannot conclude at this juncture that plaintiff will be unable to prove facts which might warrant a tolling or estoppel with respect to the statute of limitations. Whether plaintiff’s alcoholism can constitute a disability tolling the statute of limitations is an issue that requires the development of a more detailed factual record and a more intensive legal analysis than has been attempted by either party on the instant motion [to dismiss]. The same is true of plaintiff’s claims that defendant Berry misled him concerning his rights to further compensation for the music the two created.⁴²

At the filing of the lawsuit by Johnson, one of Berry’s attorneys said the action would be “‘completely defended’ and that there was no chance of a settlement.”⁴³

36. *Id.* at 988.

37. *Id.*

38. *Id.* at 988–89 (quoting complaint).

39. *Id.* at 989–90.

40. *Id.* at 990.

41. Johnson, 171 Supp. 2d at 990.

42. *Id.*

43. See Gieske, *supra* note 25, at 78. Apparently, Berry failed to argue that Johnson did not co-write the songs with him. In fact, Berry may have directly or indirectly admitted in pleadings and/or argument that he and Johnson co-wrote the songs. Among other evidence of these

In October 2002, the court granted Berry's summary judgment motion, denying Johnson's claims in their entirety.⁴⁴ The principal ground on which Berry sought summary judgment was the running of the three-year statute of limitations under the Copyright Act.⁴⁵ Johnson countered that "his 'lack of legal mental competence' rendered him unable to comprehend his cause of action . . . until 'shortly before' this action was filed,"⁴⁶ meaning that the cause of action had not accrued (and the prescriptive period therefore had not begun to run) until less than three years before the filing of the action.⁴⁷

After reviewing the testimony of Johnson's clinical psychologist expert witness, who stated that he did not believe "Johnson recognized that there had been a wrong in terms of royalties or remuneration for his music, nor did he have the cognitive capability of pursuing a remedy through the legal system,"⁴⁸ and after reviewing Johnson's deposition testimony (observing, inter alia, that Johnson never had been treated for any psychological disorder), the court noted that "during his 70+ years, Mr. Johnson has lived independently and been generally competent to manage his affairs unassisted."⁴⁹ On the subject of Johnson's ability to pursue a remedy through the legal system, the court said that "[a]wareness of injury and awareness of a legal cause of action are two distinct things."⁵⁰ The court cited the Second Circuit's opinion in *Stone v. Williams*⁵¹ to bolster its conclusion:

We cannot adopt the proposition that to trigger the statute of limitations not only must plaintiff know of the facts furnishing her with a cause of action, but also that those facts are sufficient to entitle her to relief. . . . The legal rights that stem from certain facts or circumstances need not be known, only the facts or

possibilities is the court's seemingly factual acknowledgment that Berry and Johnson created music together. See *Johnson*, 171 F. Supp. 2d at 988–89 (E.D. Mo. 2001). Also, the "laches" concept may not have been argued by Berry; at least, it was not discussed by the court in its ruling on Berry's motion to dismiss. See *id.*

44. *Johnson v. Berry*, No. 4:00CV1891-DJS, 2002 U.S. Dist. LEXIS 21090, at *25 (E.D. Mo. Oct. 21, 2002). The final list of songs Johnson claimed to have co-written with Berry included the classics *Roll Over Beethoven*, *Rock and Roll Music*, *Sweet Little Sixteen*, *Brown-Eyed Handsome Man*, *Too Much Monkey Business*, *School Days*, *Reelin' and Rockin'*, *Around and Around*, *You Never Can Tell*, and *No Particular Place to Go*. *Id.* at *2–*3.

45. *Id.* at *5.

46. *Id.* at *6.

47. See *id.*

48. *Id.* at *6–*7 (quoting plaintiff's expert witness).

49. *Id.* at *7.

50. *Johnson*, 2002 U.S. Dist. LEXIS 21090, at *10.

51. 970 F.2d 1043 ((2d Cir. 1992).

circumstances themselves.⁵²

In the alternative, Johnson argued that even if the statute of limitations were running, it was tolled by Berry's misconduct in misleading Johnson and by Johnson's limited cognitive abilities.⁵³ Based on deposition testimony, the court ruled "as a matter of law that the evidence does not support a conclusion that Mr. Berry actively misled [Johnson] as to his legal claims."⁵⁴ The court also ruled that "as a matter of law, [Johnson's] intellectual limitations do not constitute an extraordinary circumstances of the type required to support equitable tolling."⁵⁵

As to Johnson's claim for an accounting, the court ruled that "[t]his Court having determined that [Johnson's] claim of co-ownership of copyright is barred as untimely, the derivative claim to an accounting of profits as a co-owner is also barred."⁵⁶ The court also denied the remainder of Johnson's claims as variously time-barred,⁵⁷ stating that it "ha[d] here given consideration to each of [Johnson's] arguments for relief from the applicable statutes of limitations . . . [before finding] that no legal basis exists to permit the litigation of these claims asserted so long after the events from which they arise."⁵⁸

To make clear that the court's ruling had nothing to do with the substance of Johnson's assertions, the court said that "[t]he disposition of claims based on statute of limitations grounds is no reflection on the merits

52. *Johnson*, 2002 U.S. Dist. 21090, at *11–*12 (quoting *Stone*, 970 F.2d at 1049).

53. *Id.* at *12.

54. *Id.* at *13.

55. *Id.* at *16.

56. *Id.* at *18

57. *Id.* at *20. The court here noted a U.S. Supreme Court explanation of the underlying policy regarding statutes of limitations:

On many prior occasions, we have emphasized the importance of the policies under . . . statutes of limitations. Statutes of limitations are not simply technicalities. On the contrary, they have long been respected as fundamental to a well-ordered judicial system. Making out the substantive elements of a claim for relief involves a process of pleading, discovery, and trial. The process of discovery and trial which results in the finding of ultimate facts for or against the plaintiff by the judge or jury is obviously more reliable if the witness or testimony in question is relatively fresh. Thus in the judgment of most legislatures and courts, there comes a point at which the delay of a plaintiff in asserting a claim is sufficiently likely either to impair the accuracy of the fact-finding process or to upset settled expectations that a substantive claim will be barred without respect to whether it is meritorious. By the same token, most courts and legislatures have recognized that there are factual circumstances which justify an exception to these strong policies of repose. For example, *defendants* may not, by tactics of evasion, prevent the plaintiff from litigating the merits of a claim, even though on its face the claim is time-barred. These exceptions to the statute of limitations are generally referred to as "tolling" and, . . . are an integral part of a complete limitations policy.

Id. at *20–*21 (quoting *Bd. of Regents v. Tomanio*, 446 U.S. 478, 487–88 (1980)).

58. *Johnson*, 2002 U.S. Dist. 21090, at *22.

of the claims, that is, on whether, if timely brought, Mr. Johnson would have been entitled to relief from [Berry].”⁵⁹

After the court's ruling, one commentator, calling the case a “sad chapter of rock & roll history,”⁶⁰ wrote that the outcome was “highly unsatisfying to anyone with an emotional hankering for the Ultimate Truth.”⁶¹ Berry attorney Joe Jacobson said: “Let's say the copyright act [sic] had no statute of limitations at all. We'd still win because I think we could prove pretty persuasively that Johnnie Johnson was not a co-author and really made very few contributions to the songs, other than his actual performance.”⁶² Johnson attorney Mitch Margo countered: “If we'd have gone to trial, we'd have won. I believe it from the depositions we took, the mediation we had,”⁶³ adding that he had favorable witnesses, but declining to identify them in the event of an appeal.⁶⁴

Another Berry attorney, Martin Green, said after the court's ruling that Berry harbored no ill feelings toward Johnson, saying that Berry “likes [Johnson] very much, considers him a friend, and expects to play with him in the future.”⁶⁵ And that “[h]e doesn't blame Johnnie for the lawsuit [but rather] blames some of Johnnie's advisors.”⁶⁶ Among the persons Berry blames, Green said, are Keith Richards of the Rolling Stones and rock legend Bo Diddly.⁶⁷

While the situation is better today, recording artists and songwriters remain vulnerable,⁶⁸ especially as concern grows over the ever-increasing methods in which music is distributed.⁶⁹ The Supreme Court should grant certiorari at its next opportunity to resolve the split in the circuits on these questions and the questions raised in similar suits, such as *Berry*. Part II of this Article discusses the issue of federal versus state jurisdiction in these

59. *Id.*

60. Rene Spencer Saller, *Chuckie and Johnny: Judge Tosses Out Lawsuit Between Rock Legends*, RIVERFRONT TIMES, Oct. 30, 2002, at LEXIS, News & Business News, News, US News, Combined.

61. *Id.*

62. *Id.*

63. *Id.*

64. *Id.*

65. Peter Shinkle, *Chuck Berry Wins Suit, Blames Keith Richards*, ST. LOUIS POST-DISPATCH, Oct. 23, 2002, at C2, available at LEXIS, News & Business, News, US News, Combined.

66. *Id.*

67. *Id.*

68. See Don E. Tomlinson, *Everything That Glitters Is Not Gold: Songwriter-Music Publisher Agreements and Disagreements*, 18 HASTINGS COMM. ENT. L.J. 85, 94 (1995).

69. See Don E. Tomlinson & Timothy Nielander, *Unchained Melody: Music Licensing in the Digital Age*, 6 TEX. INTELL. PROP. L.J. 277, 284 (1997).

cases, while Part III discusses how the limitations period as contained in copyright law is applied inconsistently. Part IV discusses the applicability of the doctrine of laches, Part V discusses the policies, which underlie grants of certiorari by the U.S. Supreme Court, and Part VI offers conclusions.

II. FEDERAL VERSUS STATE JURISDICTION

The issue of jurisdiction must be resolved before the limitations and laches arguments can be heard in federal court.⁷⁰ *Goodman v. Lee*,⁷¹ *Merchant v. Levy*,⁷² and *Jackson v. Axton*,⁷³ were initially filed in federal court. However, only in *Goodman*, did the defendants contest federal jurisdiction,⁷⁴ doing so on the basis that the dispute over joint authorship and co-ownership of a copyright did not “arise under” federal copyright law and therefore should not be heard in federal court.⁷⁵ Notwithstanding that the issue did not appear in *Merchant* or *Jackson*, it is a split question

70. See Amy B. Cohen, “*Arising Under*” *Jurisdiction and the Copyright Laws*, 44 HASTINGS L.J. 337 (1992).

Although numerous courts of appeals and district courts have analyzed the issue, the Supreme Court has never specifically addressed this question. Lower courts determining the scope of copyright jurisdiction have thus relied on two related lines of Supreme Court precedent: Cases arising under the patent laws for purposes of 28 U.S.C. § 1338; and cases arising under the laws of the United States for purposes of the federal question jurisdiction provided in 28 U.S.C. § 1331. Unfortunately, these precedents are so unclear that the question of when a case arises under federal law has been described as “[t]he most difficult single problem in determining whether federal question jurisdiction exists.” The lower courts have only exacerbated the problem by attempting to draw analogies from these inconsistent precedents to govern copyright jurisdiction.

This issue has great practical and theoretical significance. Clear guidelines for deciding whether to sue in state or federal court would be of substantial practical value to a lawyer preparing to file a lawsuit. Litigants and society would benefit by spending less time and money on the determination of jurisdictional questions. This issue also raises important theoretical questions of federalism and the appropriate role of the federal courts in determining matters related to the copyright laws. The time has come to consider this issue more thoroughly and to develop coherent guidelines for deciding whether a claim arises under the copyright laws.

Id. at 339–41.

71. 815 F.2d 1030 (5th Cir. 1987).

72. 92 F.3d 51 (2d Cir. 1996).

73. 25 F.3d 884 (9th Cir. 1994).

74. See *Goodman v. Lee*, 815 F.2d 1030, 1031 (5th Cir. 1987).

75. See *id.* The leading case on the question of how to determine joint authorship is *Childress v. Taylor*, 945 F.2d 500 (2d Cir. 1991) (discussing joint authorship in the context of various provisions of the Federal Copyright Act, leaving no question about its unstated view that questions of joint authorship are indeed federal questions).

that should be resolved by the U.S. Supreme Court.

The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection . . . copyrights and trademarks. . . . Such jurisdiction shall be exclusive of the courts of the states patent, plant variety protection and in . . . copyright cases.⁷⁶

On and after January 1, 1978, all legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103, whether created before or after that date and whether published or unpublished, are governed exclusively by this title. Thereafter, no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any state.⁷⁷

. . . [I]n any civil action of which the district courts have original jurisdiction, the district courts shall have supplemental jurisdiction over all other claims that are so related to claims in the action within such original jurisdiction that they form part of the same case or controversy⁷⁸

A “joint work” is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.⁷⁹

According to the Federal Copyright Act, “[t]he authors of a joint work are co-owners of copyright in the work.”⁸⁰ The five federal statutory provisions quoted above should make it clear that the federal courts have exclusive and supplementary jurisdiction of disputes arising under the copyright law,⁸¹ that copyright law, in effect, no longer exists at the state level,⁸² and that creating copyright co-ownership is exclusively a matter of federal law.⁸³ It would seem equally clear that federal courts are courts of

76. 28 U.S.C. § 1338(a) (2000).

77. 17 U.S.C. § 301(a) (2000).

78. 28 U.S.C. § 1367.

79. 17 U.S.C. § 101. See Mary LaFrance, *Authorship, Dominance, and the Captive Collaborator: Preserving the Rights of Joint Authors*, 50 EMORY L.J. 193 (2001).

80. 17 U.S.C. § 201(a).

81. See 28 U.S.C. §§ 1338(a), 1367.

82. See 17 U.S.C. § 301(a).

83. *Id.* § 101.

limited jurisdiction for federalism and other reasons,⁸⁴ and therefore, controversies not involving federal jurisdiction must be tried in state court.⁸⁵ While these general principles seem clear, the devil is in the details.⁸⁶ The decisions concerning these issues are in some conflict with one another, such as whether questions concerning the joint authorship of a copyrighted work arise under federal copyright law or whether they should be governed under state statutory, common-law, or equitable principles.⁸⁷

It is clear that the mere invocation of the word "copyright" in an action does not necessarily mean the action "arises under" copyright law.⁸⁸ It is equally clear that, absent some other basis for federal jurisdiction, such as diversity of citizenship,⁸⁹ an action concerning breach of a contractual promise to pay royalties,⁹⁰ an action to foreclose a security interest in a copyright,⁹¹ and an action concerning the validity or effect of an assignment belong in state court.⁹² Several tests have been used to determine whether supplemental federal jurisdiction exists. They include determining the "primary and controlling purpose of the suit," the "principal issue," the "fundamental controversy," and the "gist or essence of the plaintiff's claim."⁹³

Once the federal court determines the principal issue, it must determine whether the issue belongs in federal court or in state court.⁹⁴ Where, for example, the issue is whether the plaintiff is a joint author of

84. See, e.g., *United Food & Commercial Workers Union, Local 919 v. Centermark Prop. Meriden Square, Inc.*, 30 F.3d 298, 306-07 (2d Cir. 1994).

85. *Laughlin v. Kmart Corp.*, 50 F.3d 871, 874 (10th Cir. 1995) (holding that "'subject matter jurisdiction is not a matter of equity or of conscience or of efficiency,' but is a matter of the 'lack of judicial power to decide a controversy.'" (emphasis added).

86. RALPH S. BROWN & ROBERT C. DENICOLA, *COPYRIGHT* 455 (6th ed. 1995). "Allocating jurisdiction in disputes over copyright ownership has proved particularly troublesome." *Id.* at 456.

87. See, e.g., *Goodman v. Lee*, 78 F.3d 1007, 1011-12 (5th Cir. 1996); *Dead Kennedys v. Biafra*, 37 F. Supp. 2d 1151, 1153 (N.D. Cal. 1999); *Lieberman v. Estate of Paddy Chayefsky*, 535 F. Supp. 90 (S.D.N.Y. 1982).

88. See *T.B. Harms Co. v. Eliscu*, 339 F.2d 823, 825 (2d Cir. 1964). On this issue, Judge Friendly wrote: "Mindful of the hazards of formulation in this treacherous area, we think that an action 'arises under' the Copyright Act if and only if the complaint . . . asserts a claim requiring construction of the Act . . ." *Id.* at 828.

89. 28 U.S.C. § 1332.

90. See *Golden West Melodies, Inc. v. Capitol Records, Inc.*, 79 Cal. Rptr. 442, 445 (Cal. Ct. App. 1969).

91. See *Republic Pictures Corp. v. Sec. First Nat'l Bank of Los Angeles*, 197 F.2d 769 (9th Cir. 1952).

92. See *Rotardier v. Entm't Co. Music Group*, 518 F. Supp. 919, 921 (S.D.N.Y. 1981).

93. See *Topolos v. Caldewey*, 698 F.2d 991, 993 (9th Cir. 1983).

94. *Id.* at 994.

copyrightable matter and therefore a co-owner with the defendant of a copyright, the court must indicate whether questions of joint authorship and co-ownership arise under federal copyright law or under state law.⁹⁵ The Ninth and Fifth Circuits apparently disagree with the Second Circuit's interpretation.⁹⁶

In *Lieberman v. Estate of Paddy Chayefsky*,⁹⁷ the Second Circuit thought the proposition elementary:

The plaintiff, Jeffrey Lieberman, alleges that he coauthored "Altered States" with the defendant and that the work is therefore a joint work within the meaning of [the Copyright Act]. Plaintiff seeks a declaratory judgment to this effect . . . and an accounting based on the entitlement of a joint author to an undivided one-half interest which is provided by [the Copyright Act]. [The Copyright Act] provides that copyright "vests initially in the author or authors of the work" and that "[t]he authors of a joint work are co-owners of copyright in the work. . . ." Thus, the claimed right upon which plaintiff bases his claim arises directly from the statute. [The Copyright Act] defines "joint work" as "a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole. . . ." Resolution of the central issue in this case depends upon the application and interpretation of this statutory definition.⁹⁸

The Ninth Circuit decided this issue in apparent opposition to the Second Circuit's view of the situation.⁹⁹ In *Dead Kennedys v. Biafra*,¹⁰⁰ three former members of the defunct musical group filed suit in state court against Jello Biafra, the fourth member, alleging seven state law causes of action.¹⁰¹ All four former members of the group were equal partners in a still-existing partnership.¹⁰² The three former band members and the partnership filed the suit.¹⁰³ Biafra removed the case to federal court on the basis that two of the state law causes of action contained claims arising

95. See, e.g., *Dead Kennedys*, 37 F. Supp. 2d at 1153; *Lieberman*, 535 F. Supp. at 91.

96. Compare *Dead Kennedys*, 37 F. Supp. 2d at 1153, and *Goodman v. Lee*, 78 F.3d 1007 (5th Cir. 1996), with *Lieberman*, 535 F. Supp. at 91.

97. *Lieberman*, 535 F. Supp. at 90.

98. *Id.* at 91; see also *Goodman v. Lee*, 78 F.3d 1007, 1013 (5th Cir. 1996) (illustrating that the Fifth Circuit agreed with the Second Circuit on the issue of federal question jurisdiction).

99. See *Dead Kennedys*, 37 F. Supp. 2d at 1151.

100. See *id.*

101. *Id.* at 1152.

102. *Id.*

103. *Id.*

exclusively under the federal Copyright Act, both of which claims concerned the rights to underlying musical compositions as between himself and the plaintiffs.¹⁰⁴ Additionally, Biafra counterclaimed with ten causes of action, one of which sought a declaratory judgment that he was an author, with rights in the underlying musical compositions, not assigned or licensed by him to the plaintiffs, and which he was free to exploit.¹⁰⁵ In spite of these assertions, the Ninth Circuit remanded.¹⁰⁶

In *Goodman v. Lee*,¹⁰⁷ the Fifth Circuit reversed a district court determination that federal jurisdiction was inappropriate because an action to establish title did not arise under the federal copyright law,¹⁰⁸ the district court having cited a line of cases decided in the Southern District of New York.¹⁰⁹ The Fifth Circuit, however, distinguished that line of cases, as “cases concern[ing] ownership disputes arising from contractual agreements between the parties.”¹¹⁰ The court reasoned: “[this] case clearly involves the application and interpretation of the copyright ownership provisions of [the Copyright Act]. Therefore, federal jurisdiction over this case was proper, and the district court erred in dismissing Goodman’s cause of action.”¹¹¹

III. COPYRIGHT ACT LIMITATIONS

Similar to the jurisdiction question, the U.S. Supreme Court has not interpreted the possible meanings of the limitations period expressed in the Copyright Act.¹¹² Nonetheless, the concept of limitations has played a significant role in many copyright-based disputes at the circuit-court level.¹¹³ In *Jackson v. Axton*,¹¹⁴ any application of the statute of limitations was eschewed¹¹⁵ in favor of the application of the laches doctrine,

104. *Id.*

105. *Dead Kennedys*, 37 F. Supp. 2d at 1153.

106. *Id.* at 1154. “An action for an accounting or determination of ownership as between alleged co-owners is founded in state law and does not arise under the copyright laws. These rules apply whether co-ownership arises from joint authorship or through co-ownership of rights through a partnership.” *Id.* at 1153.

107. 815 F.2d 1030 (5th Cir. 1987).

108. *Id.* at 1032.

109. *Id.*

110. *Id.*

111. *Id.* at 1031–32.

112. *Lyons P’ship, L.P., v. Morris Costumes, Inc.*, 243 F.3d 789, 798 (4th Cir. 2001).

113. *See id.* at 799.’

114. 25 F.3d 884 (9th Cir. 1994).

115. *Id.* at 887–88.

discussed *infra*.¹¹⁶ In *Merchant v. Levy*,¹¹⁷ the statute of limitations acted as a complete bar to recovery,¹¹⁸ and in *Goodman v. Lee*,¹¹⁹ the statute of limitations acted as a partial bar to recovery.¹²⁰

The limitations period can be a significant restriction upon the right to recover damages in a copyright action.¹²¹ Under Section 507(b) of the Copyright Act, the period of limitations for civil proceedings is three years.¹²² While it may seem that limitations questions should be straightforward, courts face a number of challenges concerning the application of the limitations provision.¹²³

- When does the clock begin to run?
- Is the limitations period tolled until the plaintiff knows or reasonably should have known of the accrual of a cause of action?
- How is the limitations period calculated? For example, does the limitations period begin to run anew each time the copyrighted matter is performed and rights under the Copyright Act are thereby implicated?

These questions have been discussed in numerous cases; not surprisingly, there is a split among the circuits.¹²⁴ In *Hotaling v. Church of Jesus Christ of Latter-Day Saints*, the Fourth Circuit adopted the prevailing view that the limitations period of three years bars actions brought more than three years after the claim accrues.¹²⁵ It also adopted the notions that “[a] cause of action for copyright infringement accrues when one has knowledge of a violation or is chargeable with such knowledge,”¹²⁶ that “a

116. *See infra* Part IV.

117. 92 F.3d 51 (2d Cir. 1996).

118. *Id.* at 57.

119. 78 F.3d 1007 (5th Cir. 1996).

120. *Id.* at 1013–15. In what definitely has not been a “sea of love,” there have been multiple unsuccessful lawsuits filed over the authorship and ownership rights to the classic rock song *Sea Of Love*. *See Statute of Limitations Bars Suit by Songwriter Philip Baptiste to Rescind 1959 Publishing Contract for Sea of Love*, ENT. L. REP., Aug. 2002, at 17. In this suit, Philip Baptiste has alleged that he is the sole writer of the song. *Id.* In the most recent action, filed in state court in Louisiana against the song’s publisher, Baptiste sought rescission of the original publishing agreement, alleging fraud in its making. *Id.* Based on the defendant’s limitations argument, the trial court dismissed the action and that ruling has been affirmed by the Louisiana Court of Appeal. *Id.*; *see also* *Baptiste v. Shuler*, 809 So. 2d 1210, 1216 (La. Ct. App. 2002).

121. *Merchant*, 92 F.3d at 57.

122. 17 U.S.C. § 507(b) (2000).

123. *See, e.g.*, *Hotaling v. Church of Jesus Christ of Latter-Day Saints*, 118 F.3d 199, 202 (4th Cir. 1997); *Taylor v. Meirick*, 712 F.2d 1112, 1117–19 (7th Cir. 1983).

124. *Compare Hotaling*, 118 F.3d at 202, *with Taylor*, 712 F.2d at 1117–19.

125. *Hotaling*, 118 F.3d at 202 (citing 17 U.S.C. § 507(b)).

126. *Id.* (quoting *Roley v. New World Pictures, Ltd.*, 19 F.3d 479, 481 (9th Cir. 1994)).

party does not waive the right to sue for infringements that accrue within three years of filing by not asserting related claims that accrued beyond three years,"¹²⁷ and that, "under the prevailing view, a party cannot reach back, based on acts of infringement that accrued within the limitations period, and recover for claims that accrued outside the limitations period."¹²⁸ The court acknowledged that the Seventh Circuit's decision in *Taylor v. Meirick*¹²⁹ was contrary to the prevailing view.

In *Taylor*, the defendant copied the plaintiff's copyrighted maps, but the plaintiff failed to file suit until four years later, because the alleged acts of infringement were hidden from him.¹³⁰ Nonetheless, the defendant argued that the suit was time-barred.¹³¹ The court disagreed.

The court based its reasoning, first, on the fact that the defendant had taken no action to recover the infringing maps from the dealers to whom he had sold them. The court reasoned that, "[a] tortfeasor has a duty to assist his victim. The initial injury creates a duty of aid and the breach of the duty is an independent tort. . . . This principle applies to a statutory tort such as copyright infringement."¹³²

In addition, in discussing the effect of fraudulent concealment on the tolling of the limitations period, the court further reasoned:

Often, whether or not the defendant has done anything to conceal from the plaintiff the existence of the cause of action, the statute of limitations is tolled until the plaintiff learned or by reasonable diligence could have learned that he had a cause of action. . . . [I]t should be enough to toll the statute of limitations that a reasonable man would not have discovered the infringement. . . . [W]here . . . there had been no active concealment by the tortfeasor[,] the injured party would have had no reason to suspect that he was the victim of a tort, [so] there may be no duty of inquiry at all.¹³³

Moreover, on the question of whether the plaintiff could recover for infringing sales that took place more than three years before he sued, the court said, "[t]he statute of limitations does not begin to run on a continuing wrong till the wrong is over and done with."¹³⁴

127. *Id.* (quoting *Hoey v. Dixel Systems Corp.*, 716 F. Supp. 222, 223 (E.D. Va. 1989)).

128. *Id.*

129. *Id.* (citing *Taylor v. Meirick*, 712 F.2d 1112 (7th Cir. 1983)).

130. *Taylor*, 712 F.2d at 1117-18.

131. *Id.* at 1117.

132. *Id.* (citing the RESTATEMENT (SECOND) OF TORTS § 322, cmt. c (1965)).

133. *Taylor*, 712 F.2d at 1117-18.

134. *Id.* at 1118.

The principle strikes a balance between the plaintiff's interest in being spared having to bring successive suits, and the two distinct interests . . . that statutes of limitations serve. One is evidentiary—to reduce the error rate in legal proceedings by barring litigation over claims relating to the distant past. The other is repose—to give people the assurance that after a fixed time they can go about their business without fear of having their liberty or property taken through the legal process. . . . When the final act of an unlawful course of conduct occurs within the statutory period, these purposes are adequately served, in balance with the plaintiff's interest in not having to bring successive suits, by requiring the plaintiff to sue within the statutory period but letting him reach back and get damages for the entire duration of the alleged violation.¹³⁵

In *Stone v. Williams*,¹³⁶ the Second Circuit followed the prevailing view, that a plaintiff can recover for acts of infringement dating beyond the limitation period on the application of the continuous wrong doctrine.¹³⁷ However, the court ruled that the “continuous wrong doctrine” did not bar defendants from arguing the three-year limitations period. In effect, any suit Stone filed would allow her to recover only prospectively and for the three-year period prior to the filing of the suit.¹³⁸

The holder of a copyright has a property interest which, when invaded by an infringer, may be vindicated by an infringement action. Each act of infringement is a distinct harm giving rise to an independent claim for relief. This does not mean that when infringements occur during the limitations period recovery may be had for past infringements. Recovery is allowed only for those acts occurring within three years of suit, and is disallowed for earlier infringing acts. Application of the continuous wrong doctrine generally has been rejected in the infringement context. . . . [S]tatutes of limitations bar remedies, not the assertion of rights. This principle applies to the Copyright Act. Thus, Stone's suit is timely insofar as relief is sought for defendants' failure to remit to her a proportionate share of

135. *Id.* at 1119.

136. 970 F.2d 1043 (2d Cir. 1992).

137. *Id.* at 1049–57. There the court reasoned that “[a]n overtly technical approach to copyright entitlements has not carried the day in other contexts, and it fails to do so in this one.” *Id.* at 1050.

138. *Id.* at 1051 (recognizing an extension of the three-year period in order to determine if, in fact, Stone was the daughter of country music legend, Hank Williams, Sr.).

royalties received within three years of suit.¹³⁹

Applying the Copyright Act in *Goodman*, the Fifth Circuit determined that Goodman was a co-owner of the song. However, the court then held Louisiana law, instead of federal law, applicable to all remaining issues, including the appropriate limitations period.¹⁴⁰

Under Louisiana law, an action by a co-owner for an accounting is governed by a ten-year prescriptive period (statute of limitations), which “d[oes] not begin to run until demand is made . . . for an accounting.” As Goodman first demanded her share of the income derived from “Let the Good Times Roll” in 1984, her action, filed in 1985, was timely.

In challenging this conclusion, the Lees argue that the three-year statute of limitations set forth in the Copyright Act governs this action. They assert that Goodman’s claims accrued more than three years before she filed her complaint, and that the action is accordingly time-barred. They argue in the alternative that, at a minimum, Goodman’s recovery should be limited to the period beginning no earlier than three years before the action was brought, i.e., relating back no further than 1982. Neither argument can prevail.

Section 507(b) of the Copyright Act provides that “[n]o civil action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued.” But this case does not present an action that is “maintained under the provisions” of the Copyright Act. The Act details at length precisely which civil actions and remedies are available for copyright infringements. Nowhere in the Act, however, do its provisions detail any action available to a co-owner for an accounting. Instead, as discussed above, such an action is governed by state law. Consequently, even though the case requires an interpretation of the Copyright Act’s definition of a joint work—thereby compelling the assumption of federal jurisdiction—the action is not being *maintained* under the provisions of the Copyright Act: There are no provisions in the Act establishing or governing such an action. Accordingly, we reject the Lees’ contention that the three-year statute of limitations set out in § 507(b) governs Goodman’s claim.¹⁴¹

139. *Id.* at 1049–51.

140. *Goodman v. Lee*, 78 F.3d 1007, 1012–14 (5th Cir. 1996).

141. *Id.* at 1013. On this issue in *Johnson v. Berry*, the court stated:

In *Merchant v. Levy*,¹⁴² the statute of limitations argument proved dispositive. On this issue, the court said the following:

Plaintiffs filed the instant suit in 1987, primarily seeking a declaration of their copyright ownership rights and an accounting of profits. Civil actions under the Copyright Act are subject to a three-year statute of limitations. Defendants argue that since Plaintiffs did not institute suit for a declaration of copyright co-ownership within three years of the accrual of their claim, they are now time-barred.

... The jury found that Plaintiffs were charged with knowledge of their claim as of 1961, the year they attained the age of majority. Thus, Plaintiffs' claim accrued in 1961, but they did not initiate suit until 26 years later. Though Plaintiffs contend on appeal that the statute was tolled, the basis for such tolling, duress, did not arise until 1969, ending in 1984. By 1969, however, the three-year statute of limitations had long since expired.

The District Court nevertheless awarded Plaintiffs a declaration of co-ownership rights and damages for a time period beginning three years before the commencement of their suit.

... A co-author knows that he or she jointly created a work from the moment of its creation. ... We hold that plaintiffs claiming to be co-authors are time-barred three years after accrual of their claim from seeking a declaration of copyright co-ownership rights and any remedies that would flow from such a declaration. Our conclusion promotes the principles of repose integral to a properly functioning copyright market. Plaintiffs' suit is therefore barred by the statute of limitations. . . .¹⁴³

In *Goodman*, the Fifth Circuit held that a copyright co-owner's claim for an accounting was subject to a state statute of limitations because an accounting remedy is not expressly provided for in the Copyright Act. If not wrongly decided, *Goodman* invaded a claim of co-ownership which had been vindicated by a jury's verdict and which itself found to have been timely asserted. By contrast, in this case, [Johnson's] claim for co-ownership has been found to be untimely asserted, and has not been determined on the merits in his favor.

Johnson v. Berry, No. 4:00CV1891-DJS, 2002 U.S. Dist. LEXIS 21090 (E.D. Mo. Oct. 21, 2002), at *16-17.

142. 92 F.3d 51 (2d Cir. 1996).

143. *Merchant v. Levy*, 92 F.3d 51, 56, 56-57 (2d Cir. 1996).

In *Jackson v. Axton*,¹⁴⁴ the district court did not reach the statute of limitations defense asserted by Axton because the court granted summary judgment based on laches.¹⁴⁵ The Ninth Circuit did little more than mention that a statute of limitations argument had been offered in the lower court, affirming the district court's grant of summary judgment on a laches basis.¹⁴⁶

IV. LACHES

The concept of laches played a significant role in *Goodman v. Lee*, *Merchant v. Levy*, and *Jackson v. Axton*.¹⁴⁷ Laches, an equitable defense, is reflected in the maxim "*vigilantibus non dormientibus aequitas subvenit* (equity aids the vigilant, not those who sleep on their rights)."¹⁴⁸ The essence of the defense is not just a delay for a particular length of time like the statute of limitations; rather, the defense requires proof that the delay was both unreasonable *and* prejudicial to the defendant.¹⁴⁹

Even if an applicable statute of limitations has not yet run, a court may deny equitable relief if the delay in filing suit was unreasonable.¹⁵⁰ However, plaintiffs still may avail themselves of legal remedies.¹⁵¹ For example, a plaintiff who is denied specific performance because of laches may still seek contract damages.¹⁵²

The doctrine of laches is based upon grounds of public policy, which require for the peace of society the discouragement of stale demands. And where the difficulty of doing entire justice by reason of the death of the principal witness or witnesses, or from the original transactions having become obscured by time, is attributable to gross negligence or deliberate delay, a court of equity will not aid a party whose application is thus destitute of

144. 814 F. Supp. 42 (C.D. Cal. 1993).

145. *Id.* at 44.

146. *Jackson v. Axton*, 25 F.3d 884, 887-90 (9th Cir. 1994).

147. *See generally* *Goodman v. Lee*, 78 F.3d 1007 (5th Cir. 1996) (discussing the applicability of the doctrine of laches); *Merchant v. Levy*, 92 F.3d 51 (2d Cir. 1996) (also discussing the applicability of the doctrine of laches); *Jackson v. Axton*, 25 F.3d 884 (9th Cir. 1994) (discussing the applicability of the doctrine of laches).

148. *Stone v. Williams*, 873 F.2d 620, 623 (2d Cir. 1989).

149. *Id.* ("In contrast to a statute of limitations that provides a time bar within which suit must be instituted, laches asks whether the plaintiff in asserting her rights was guilty of unreasonable delay that prejudiced the defendants.").

150. *Id.* at 624.

151. *See id.* at 626.

152. *See id.*

conscience, good faith and reasonable diligence.¹⁵³

Under the Federal Rules of Civil Procedure,¹⁵⁴ laches is an affirmative defense. The burden of proving laches lies with the defendant.¹⁵⁵ It is an equitable doctrine that depends upon the facts of each case, unlike the statute of limitations, which is its legal equivalent.¹⁵⁶ Laches offers the courts more flexibility by favoring rules concerning proof of unreasonable delay and prejudice to the defendant and by disfavoring mechanical rules.¹⁵⁷

The laches defense turns on the question of inequity rather than the mere passage of time.¹⁵⁸ The Supreme Court also has stated that, concerning laches, “no arbitrary or fixed period of time has been, or will be, established as an inflexible rule.”¹⁵⁹

In the context of laches, the following circumstances may excuse the plaintiff’s delay:

- Concealment, fraud, or inequitable conduct by defendant;¹⁶⁰
- Reasonable lack of awareness of the facts giving rise to relief;¹⁶¹ or
- Lack of funds with which to hire an attorney.¹⁶²

In *Goodman v. Lee*, the Fifth Circuit was dismissive of the Lees’ claim that laches should bar Goodman’s claim.¹⁶³

153. *Mackall v. Casilear*, 137 U.S. 556, 566 (1890).

154. FED. R. CIV. P. 8(c).

155. *Id.*

Affirmative Defenses. In pleading to a preceding pleading, a party shall set forth affirmatively accord and satisfaction, arbitration and award, assumption of risk, contributory negligence, discharge in bankruptcy, duress, estoppel, failure of consideration, fraud, illegality, injury by fellow servant, *laches*, license, payment, release, *res judicata*, statute of frauds, statute of limitations, waiver, and any other matter constituting an avoidance or affirmative defense.

Id. (emphasis supplied).

156. See Tomas G. Robinson, *Laches in Federal Substantive Law: Relation to Statutes of Limitation*, 56 B.U. L. REV. 970, 987–88 (1976).

157. See *Gruca v. United States Steel Corp.*, 495 F.2d 1252, 1258–59 (3d Cir. 1974).

158. *Stone v. Williams*, 873 F.2d 620, 625 (2d Cir. 1989) (stating “Prejudice may also . . . be found if, during the period of delay, the circumstances or relationships between the parties have changed so that it would be unfair to let the suit go forward.”).

159. *The Key City*, 81 U.S. 653, 660 (1 Wall. 1871).

160. See generally *A.C. Aukerman Co. v. R.L. Chaides Constr. Co.*, 960 F.2d 1020, 1033 (Fed. Cir. 1992) (holding presumption of laches in patent infringement action may be eliminated by offering evidence to show excuse for patentee’s delay in bringing action or that delay was reasonable).

161. See *id.*

162. See *id.*

163. *Goodman v. Lee*, 78 F.3d 1007, 1014 (5th Cir. 1996).

This argument is without merit: The Louisiana Supreme Court has specifically stated that the common law doctrine of laches does not apply to actions maintained under Louisiana law. Moreover, even if we were to assume *arguendo* that a federal common law doctrine of laches applies to Goodman's action, the Lees' argument would still fail. . . . In the instant case, the Lees cannot establish that the delay by Goodman in filing her action was inexcusable. The jury specifically found that Goodman "did not know or should not have known that Leonard Lee listed himself as sole author on the copyright register for 'Let The Good Times Roll' until 1984." . . . Accordingly, even if we were to apply a federal laches doctrine, it would not bar Goodman's claim.¹⁶⁴

In *Merchant v. Levy*,¹⁶⁵ the Second Circuit agreed with the district court's determination that "equity's 'clean hands' principle," given the facts of the case, prevented the defendants (or at least some of them) from profiting from their "untoward actions" by asserting laches.¹⁶⁶

In *Jackson v. Axton*, the Ninth Circuit reasoned that "[w]hether laches may be a defense to an action seeking a declaration of co-authorship of a copyrightable work . . . is a question of law . . . [and] is therefore subject to *de novo* review."¹⁶⁷ Indicating application of the doctrine of laches was, in this context, a question of first impression for the Ninth Circuit, the court held that "laches may be a defense to an action seeking a declaration of co-authorship (and resulting co-ownership) of a copyrightable work. Claims of ownership are traditionally subject to the defense of laches."¹⁶⁸ On the question of whether laches was inapplicable in the sense that the dispute involved a continuous wrong that would toll even laches, the court said, "[t]he disputed events regarding authorship of the Song took place long ago and cannot take place again in the future."¹⁶⁹ The court held that Jackson knew of the cause of action by 1975, perhaps as early as 1971, and that "the presumption of prejudice resulting from" the delay in filing the suit had "not been rebutted" by Jackson.¹⁷⁰ The court held that Axton (and his successor-in-interest to the copyright) was "actually prejudiced by

164. *Id.*

165. 92 F.3d 51 (2d Cir. 1996).

166. *Id.* at 54, 56.

167. *Jackson v. Axton*, 25 F.3d 884, 886 (9th Cir. 1994).

168. *Id.* at 887-88.

169. *Id.* at 888.

170. *Id.* at 889.

Jackson's delay" [and] Jackson's counter-arguments [were] unavailing."¹⁷¹ The court, therefore affirmed the district court's grant of summary judgment.¹⁷²

V. RECONCILIATION

Every year, thousands of civil litigants, having lost a lawsuit or at least some issues in a lawsuit in a lower court, file a petition for a writ of certiorari with the United States Supreme Court.¹⁷³ Of these petitioners, only about five percent are granted a full review by the nation's highest court.¹⁷⁴ Among the various bases for the granting of certiorari by the Court is the need to resolve a split among the circuit courts.¹⁷⁵

Inconsistency in the circuit courts lies at the heart of Supreme Court review of disputes that, by themselves, would not involve sufficient significance to attract a grant of certiorari.¹⁷⁶ The problem with inconsistency among the circuits is that litigation is encouraged,¹⁷⁷ causing difficulty in planning on a national level, since the same law means something different depending upon the circuit.¹⁷⁸ Splits can be difficult for businesses and individuals operating in two or more federal circuits.¹⁷⁹ Forum shopping is encouraged,¹⁸⁰ and circuit splits betray the fact that at least two groups of judges conclusorily differ on a point or points of law.¹⁸¹ A conflict among the circuits, then, may be as important a reason as any for the granting of certiorari by the Supreme Court.¹⁸²

It cannot be argued too strongly that the Court does not have room on its docket to grant certiorari to resolve splits among the circuits. Chief Justice William H. Rehnquist, speaking at a law-school symposium on the future of the federal courts in 1996, said:

It is the federal district courts and the courts of appeals that

171. *Id.*

172. *Id.* at 890.

173. Kevin H. Smith, *Justice For All?: The Supreme Court's Denial Of Pro Se Petitions for Certiorari*, 63 ALB. L. REV. 381, 381-83 (1999).

174. *Id.* at 382-83.

175. See Marybeth Herald, *Reversed, Vacated, and Split: The Supreme Court, the Ninth Circuit, and the Congress*, 77 OR. L. REV. 405, 431 (1988).

176. See *id.*

177. See *id.*

178. See *id.*

179. See *id.*

180. See *id.*

181. See Herald, *supra* note 175, at 431.

182. See *id.* at 431, 489 (reasoning that inconsistency can create public perception that laws are irrational and unfair, and splits carry "accompanying baggage of inconsistency in the law.").

are being hit hardest by this ever-increasing wave of litigation. The Supreme Court's docket is actually down from what it was several years ago. With the district courts, it is largely a question of having enough judicial manpower to adjudicate the incoming cases. The same is true to a large extent of the courts of appeals"¹⁸³

In the context of the splits in the cases that are the subject of this Article, resolution is necessary so that the law will be nationally uniform and to prevent forum shopping. Forum shopping can easily occur in copyright cases because venue might properly lie in every federal district in the country in which a song had been performed, and that easily could mean every district.¹⁸⁴ Settlement negotiations, at every stage of litigation, are affected by arguments over whether the law of one circuit as opposed to another will become the law in a third circuit should the issue be litigated there.¹⁸⁵ The uncertainty affects whether a lawyer will take a case on a contingent-fee basis and may thus be determinative of whether a putative plaintiff is able to bring suit at all.¹⁸⁶ Contingent-fee arrangements may be especially important for songwriters with few funds and aging but substantively legitimate claims.¹⁸⁷

Certiorari is granted in copyright cases to cure splits from time to time, such as in *Fogerty v. Fantasy, Inc.*,¹⁸⁸ where the Court "granted certiorari . . . to address an important area of federal law and to resolve the conflict between the Ninth Circuit's 'dual' standard for awarding attorney's fees under 17 U.S.C. § 505, and the so-called 'evenhanded' approach exemplified by the Third Circuit."¹⁸⁹ Actually, the split was between more than the Third and Ninth Circuits.¹⁹⁰ The Second, Seventh, and District of Columbia Circuits agreed with the view of the Ninth Circuit, and the Fourth and Eleventh Circuits agreed with the Third Circuit's view.¹⁹¹ The

183. William H. Rehnquist, "The Future of the Federal Courts," 46 AM. U. L. REV. 263, 270 (1996).

184. See Michael Landau & Donald E. Biederman, *The Case for a Specialized Copyright Court: Eliminating the Jurisdictional Advantages*, 21 HASTINGS COMM. & ENT. L.J. 717, 719-23 (1999).

185. See Stephen Bundy, *The Policy in Favor of Settlement in an Adversary System*, 44 HASTINGS L.J. 1, 14, 39-40 (1992).

186. See John Vargo, *The American Rule on Attorney Fee Allocation: The Injured Person's Access to Justice*, 42 AM. U. L. REV. 1567, 1595, 1617 (1993).

187. See *id.* at 1595-96.

188. 510 U.S. 517 (1994).

189. *Id.* at 521.

190. *Id.* at 521 n.8.

191. *Id.* at 521-22.

Supreme Court ultimately sided with the Third, Fourth, and Eleventh Circuits and reversed and remanded the case to the Ninth Circuit.¹⁹² In a case involving trade secrets and federal patent law,¹⁹³ the Court granted certiorari to resolve a conflict in the circuit courts where four circuits held one way and only one held in the opposite direction.¹⁹⁴ The Court sided with the four-circuit majority.¹⁹⁵

VI. CONCLUSION

The mishmash of rulings in these three cases and the others discussed in this Article provide considerable evidence that reconciliation is warranted. Disputes over copyright co-authorship and co-ownership deserve better legal analysis and conclusions of law than they have been shown by the circuit courts—the Second, Fifth, and Ninth in particular.¹⁹⁶ Shirley Goodman (presumably) received substantial damages (and income derived from post-ownership-declaration royalties). Jimmy Merchant, Herman Santiago, and Danny Jackson, Jr., all received nothing.¹⁹⁷ This is not to argue that Goodman should not have recovered and that Merchant, Santiago, and Jackson should have recovered; rather, it is to say that the gaps in how these cases were adjudicated are far too wide.

192. *Id.* at 535.

193. *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 470 (1974).

194. *Id.* at 472.

195. *Id.* at 493.

196. See *Goodman v. Lee*, 78 F.3d 1007, 1009 (5th Cir. 1996); *Jackson v. Axton*, 25 F.3d 884 (9th Cir. 1994); *Merchant*, 92 F.3d at 51.

197. *Jackson v. Axton*, 25 F.3d 884, 889 (9th Cir. 1994); *Merchant*, 92 F.3d at 56.

